



## SURETY BOND ENDORSEMENT

TO: State of Utah  
Department of Natural Resources  
Division of Oil, Gas and Mining  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, UT 84180-1203

RE: Bond Principal: American Gilsonite Company  
Obligee: State of Utah  
Surety: United Pacific Insurance Company  
Surety Bond Number: \_\_\_\_\_  
Bond Amount: \$324,900.00  
Type of Bond: Mine Lands Reclamation Bond

The purpose of this Rider is to:

☒ **CHANGE BOND NUMBER**

Upon execution of this Surety Bond Endorsement by all parties hereto, surety bond number \_\_\_\_\_ is changed to: \_\_\_\_\_

☒ **CHANGE SURETY COMPANY**

Effective February 1, 2001, Travelers Casualty and Surety Company of America ("Travelers") replaces United Pacific Insurance Company ("Reliance") as surety on the above referenced bond and, accordingly, agrees to be bound by the terms of the above-referenced bond and to perform all of Reliance's obligations thereunder as if the above-referenced bond had originally been issued by Travelers. The termination of liability under the Reliance bond is a condition precedent to the change of surety. Upon execution of this Surety Bond Endorsement by all parties hereto, Reliance shall have no further obligation or liability under the above-referenced bond.

☐ **CONTINUATION CERTIFICATE**

This certificate extends the life of the bond to \_\_\_\_\_. It is executed upon the express condition that the surety's liability under said bond, together with this and all previous continuation certificates, shall not be cumulative and shall in no event exceed the amount specifically set forth in said bond or any existing certificate changing the amount of said bond.

Signed, sealed and dated this 25<sup>th</sup> day of July, 2002.

Travelers Casualty and Surety Company of America

By: Diane L. O'Shea  
Diane L. O'Shea Attorney-In-Fact

United Pacific Insurance Company

By: Michael J. Garcia  
Michael J. Garcia

ATTACHMENT B

MIR FORM 5  
June 7, 1995

Bond Number                       
Permit Number M/047/010  
Mine Name Bonanza

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
Division of Oil, Gas and Mining  
355 West North Temple  
3 Triad Center Suite 350  
Salt Lake City, Utah 84180-1203  
(801) 538-5340

THE MINED LAND RECLAMATION ACT

SURETY BOND

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The undersigned American Gilsonite Company, as  
Principal, and United Pacific Insurance Company, as  
Surety, hereby jointly and severally bind ourselves, our heirs, administrators, executors,  
successors, and assigns, jointly and severally, unto the State of Utah, Division of Oil, Gas  
and Mining (Division) in the penal sum of three hundred twenty four thousand  
dollars (\$ 324,900.00 nine hundred and no/100).

Principal has estimated in the Mining and Reclamation Plan approved by the  
Division on the 7th day of March, 19 85, that 107.2  
acres of land will be disturbed by mining operation in the State of Utah.

A description of the disturbed land is attached as "Attachment A" to the  
Reclamation Contract, of which this document is an integral part.

The condition of this obligation is that if the Division determines that Principal has  
satisfactorily reclaimed the disturbed lands in accordance with the approved Mining and  
Reclamation Plan and has faithfully performed all requirements of the Mined Land  
Reclamation Act, and complied with the Rules and Regulations adopted in accordance  
therewith, then this obligation shall be void; otherwise it shall remain in full force and  
effect.

If the Mining and Reclamation Plan provides for periodic partial reclamation of the  
disturbed lands, and if the lands are reclaimed in accordance with such Plan, Act and  
regulations, then Principal may apply for a reduction in the amount of this Surety Bond.

In the converse, if the Mining and Reclamation Plan provides for a gradual increase  
in the area disturbed or the extent of disturbance, then, the Division may require that the  
amount of this Surety Bond be increased, with the written approval of the Surety.

This bond may be canceled by Surety after ninety (90) days following receipt by the Division and Principal of written notice of such cancellation. Surety's liability shall then, at the expiration of said ninety (90) days, cease and terminate except that Surety will remain fully liable for all reclamation obligations of the Principal incurred prior to the date of termination.

Principal and Surety and their successors and assigns agree to guarantee said obligation and to indemnify, defend, and hold harmless the Division from any and all expenses (including attorney fees) which the Division may sustain in the collection of sums due hereunder.


Surety will give prompt notice to Principal and to the Division of the filing of any petition or the commencement of any proceeding relating to the bankruptcy, insolvency, reorganization, or adjustment of the debts of Surety, or alleging any violation or regulatory requirements which could result in suspension or revocation of the Surety's license to do business.

IN WITNESS WHEREOF, the Principal and Surety hereunto set their signatures and seals as of the dates set forth below.

American Gilsonite Company  
Principal (Permittee)

12-27-95  
Date

Clifford O. Doner  
By (Name typed):

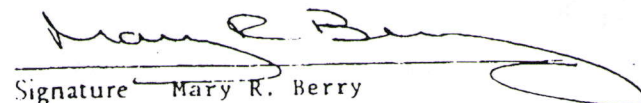
Chief Financial Officer  
Title  
  
Signature

Surety Company

United Pacific Insurance Company  
Company Officer

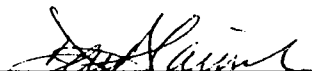
January 2, 1996  
Date

Attorney-in-Fact  
Title/Position

  
Signature Mary R. Berry

SO AGREED this 24th day of January, 1996.

AND APPROVED AS TO FORM AND AMOUNT OF SURETY:

  
\_\_\_\_\_  
Dave D. Lauriski, Chairman  
Utah State Board of Oil, Gas and Mining

\*NOTE: Where one signs by virtue of Power of Attorney for a Surety, such Power of Attorney must be filed with this bond. If the Operator is a corporation, the bond shall be executed by its duly authorized officer.

## AFFIDAVIT OF QUALIFICATION

On the 2nd day of January, 1996, personally appeared before me Mary R. Berry, Attorney-in-Fact who being by me duly sworn did say that ~~he~~/she, the said Mary R. Berry is the Attorney-in-Fact of United Pacific Insurance Company and duly acknowledged that said instrument was signed on behalf of said company by authority of its bylaws or a resolution of its board of directors and said Mary R. Berry duly acknowledged to me that said company executed the same, and that ~~he~~/she is duly authorized to execute and deliver the foregoing obligations; that said Surety is authorized to execute the same and has complied in all respects with the laws of Utah in reference to becoming sole surety upon bonds, undertaking and obligations.

Signed: \_\_\_\_\_

Surety Officer

Title: Attorney-in-Fact

STATE OF California )  
 ) ss:  
COUNTY OF San Francisco )

Subscribed and sworn to before me this 2nd day of January, 1996.

Helen A. Weires  
Notary Public Helen A. Weires  
Residing at: Three Embarcadero Center  
San Francisco, CA 94111

My Commission Expires:

August 11, , 19 97



THE F. RELIANCE SURETY COMPANY.

THIS DOCUMENT HAS A COLORED BACKGROUND

WHITE PAPER

RELIANCE INSURANCE COMPANY.

UNITED PACIFIC INSURANCE COMPANY.

RELIANCE NATIONAL INDEMNITY COMPANY.

ADMINISTRATIVE OFFICE, PHILADELPHIA, PENNSYLVANIA

### POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that RELIANCE SURETY COMPANY is a corporation duly organized under the laws of the State of Delaware, and that RELIANCE INSURANCE COMPANY and UNITED PACIFIC INSURANCE COMPANY, are corporations duly organized under the laws of the Commonwealth of Pennsylvania and that RELIANCE NATIONAL INDEMNITY COMPANY is a corporation duly organized under the laws of the State of Wisconsin (herein collectively called "the Companies") and that the Companies by virtue of signature and seals do hereby make, constitute and appoint Mary R. Barry, of San Francisco, California their true and lawful Attorney(s)-in-Fact, to make, execute, seal and deliver for and on their behalf, and as their act and deed, any and all bonds and undertakings of suretyship and to bind the Companies thereby as fully and to the same extent as if such bonds and undertakings and other writings obligatory in the nature thereof were signed by an Executive Officer of the Companies and sealed and attested by one other of such officers, and hereby ratifies and confirms all that their said Attorney(s)-in-Fact may do in pursuance hereof.

This Power of Attorney is granted under and by the authority of Article VII of the By-Laws of RELIANCE SURETY COMPANY, RELIANCE INSURANCE COMPANY, UNITED PACIFIC INSURANCE COMPANY, and RELIANCE NATIONAL INDEMNITY COMPANY which provisions are now in full force and effect, reading as follows:

#### ARTICLE VII - EXECUTION OF BONDS AND UNDERTAKINGS

1. The Board of Directors, the President, the Chairman of the Board, any Senior Vice President, any Vice President or Assistant Vice President or other officer designated by the Board of Directors shall have power and authority to (a) appoint Attorney(s)-in-Fact and to authorize them to execute on behalf of the Company, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof, and (b) to remove any such Attorney(s)-in-Fact at any time and revoke the power and authority given to them.
2. Attorney(s)-in-Fact shall have power and authority, subject to the terms and limitations of the Power of Attorney issued to them, to execute deliver on behalf of the Company, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof. The corporate seal is not necessary for the validity of any bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof.
3. Attorney(s)-in-Fact shall have power and authority to execute affidavits required to be attached to bonds, recognizances, contracts of indemnity or other conditional or obligatory undertakings and they shall also have power and authority to certify the financial statement of the Company and to copies of the By-Laws of the Company or any article or section thereof.

This Power of Attorney is signed and sealed by facsimile under and by authority of the following resolution adopted by the Executive and Finance Committees of the Boards of Directors of Reliance Insurance Company, United Pacific Insurance Company and Reliance National Indemnity Company by Unanimous Consent dated as of February 28, 1994 and by the Executive and Financial Committee of the Board of Directors of Reliance Surety Company by Unanimous Consent dated as of March 31, 1994.

"Resolved that the signatures of such directors and officers and the seal of the Company may be affixed to any such Power of Attorney or any certificates relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company and any such Power so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company, in the future with respect to any bond or undertaking to which it is attached."

IN WITNESS WHEREOF, the Companies have caused these presents to be signed and their corporate seals to be hereto affixed, this November 14, 1995.



RELIANCE SURETY COMPANY  
RELIANCE INSURANCE COMPANY  
UNITED PACIFIC INSURANCE COMPANY  
RELIANCE NATIONAL INDEMNITY COMPANY

*Lawrence W. Carlstrom*

STATE OF Washington  
COUNTY OF King

} ss.

On this, November 14, 1995, before me, Janet Blankley, personally appeared Lawrence W. Carlstrom, who acknowledged himself to be the Senior Vice President of the Reliance Surety Company, and the Vice President of Reliance Insurance Company, United Pacific Insurance Company, and Reliance National Indemnity Company and that as such, being authorized to do so, executed the foregoing instrument for the purpose therein contained by signing the name of the corporation by himself as its duly authorized officer.

In witness whereof, I hereunto set my hand and official seal.



*Janet D. Blankley*  
Notary Public in and for the State of Washington  
Residing at Puyallup

I, Robyn Layng, Assistant Secretary of RELIANCE SURETY COMPANY, RELIANCE INSURANCE COMPANY, UNITED PACIFIC INSURANCE COMPANY, and RELIANCE NATIONAL INDEMNITY COMPANY do hereby certify that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which is still in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seals of said Companies this 1st day of January 1996.

*Robyn Layng*  
Assistant Secretary

